

1 At the beginning of this example, we explained how Verizon's model
2 includes work tasks and non-recurring cost that will not be performed if Verizon
3 doesn't dispatch a field installation technician. It is with the remaining RCCC
4 tasks displayed on process flow diagram that you can clearly see the involvement
5 of the Field Installation technician.

6 RCCC task #35 directly relates to the Field Installation technician's being
7 unable to gain access to an end user's premises and/or demarcation point to access
8 the NID (which is reflected by Field Installation Task #3). Here, Verizon assumes
9 a non-recurring cost of *****VERIZON PROPRIETARY *******. **END**
10 **VERIZON PROPRIETARY*****

11 RCCC task #11 reflects another situation where checks are made on
12 Verizon's work forces to see if work has been completed. The OSS checked is
13 the WFA/DO, which is used by the Field Installation technicians. Verizon is
14 assessing another RCCC non-recurring cost of *****VERIZON PROPRIETARY**
15 ******* ***** END VERIZON PROPRIETARY***** for work that would not
16 be performed if Verizon reused existing facilities.

17 RCCC task #17 is required to update Verizon's OSS *only after* the Field
18 Installation technician reports the testing results or DEMARC (NID) information.
19 Here too is another *****VERIZON PROPRIETARY ***** ***** END**
20 **VERIZON PROPRIETARY***** of non-recurring cost for work that not be
21 performed in a reuse facilities situation.

1 As this extended example shows, the RCCC's role in the UNE
2 provisioning process is, or at least should be, largely superfluous. The
3 Commission should eliminate Verizon's RCCC task times before making any use
4 of the Verizon non-recurring cost studies.

5 The coordination efforts attributed to the RCCC prove only that Verizon
6 can transform what should be a seamless process into a highly manual process
7 incurring outlandish non-recurring costs. The tasks of the RCCC seem to mimic
8 the inherent capabilities of OSS, or reflect responsibilities of management,
9 ensuring that technicians do as they are instructed to do as requested by the
10 service order produced by the OSS. These tasks would be redundant and
11 unnecessary tasks in the efficient end-to-end process flow, which should be the
12 basis for setting non-recurring costs.

13 For those reasons, we recommend RCCC costs not be recovered as non-
14 recurring costs.

15 **F. VERIZON'S NON-RECURRING COSTS IN THE PROVISIONING**
16 **STAGE ALSO INCLUDE EXCESSIVE COSTS FOR MANUAL**
17 **INTERVENTION THAT DO NOT REFLECT FORWARD-**
18 **LOOKING ASSUMPTIONS AND IMPROPERLY ATTRIBUTE**
19 **COSTS TO CLECS.**

20 **Q. WHEN SHOULD FALLOUT OCCUR IN THE PROVISIONING**
21 **PROCESS?**

22 **A.** The provisioning process includes the assignment of network inventory and the
23 fulfillment of the service order request. It is the inherent function and design of
24 the OSS to perform this task. The OSS has a set of specific rules to assign the

1 appropriate facilities (*i.e.*, network inventory) to the request and in all cases
2 electronic provisioning is the preferred method.²⁶ During Mr. Walsh's tenure at
3 NYNEX, this methodology was conveyed to management and craft technicians
4 over and over again, because the OSS is programmed to pick *the most appropriate*
5 *facilities at the least cost*; humans tend to make different, most costly choices,
6 which means that manual facility assignment ultimately increases the ILEC's cost
7 of provisioning facilities.

8 Non-recurring fallout in the provisioning process should be minimal and
9 should occur only when the CLEC has supplied incorrect information. If the
10 CLEC-supplied information (data) is not correct, the order needs to be returned to
11 the CLEC for correction. The process reflected by Verizon's NRCM does not
12 demonstrate that this is happening.

13 The CLEC should be assessed a manual non-recurring charge only if
14 Verizon can demonstrate that the manual process is needed each and every time a
15 particular condition is encountered and exactly why Verizon is unable to process
16 the request automatically. Verizon has made no such demonstration. Instead,
17 Verizon assumes all fallout is related to the CLEC's service order, and thus the
18 cause for manual work, for which the CLEC should compensate Verizon. As we
19 stated previously, this approach in modeling non-recurring cost does not meet the

²⁶ Verizon's NRCM reflects manual assignment.

1 requirements of their definition of non-recurring costs, nor the requirements of a
2 TELRIC methodology.

3 **Q. HAS VERIZON CORRECTLY MODELED THE FORWARD-LOOKING**
4 **COST OF FACILITIES ASSIGNMENTS?**

5 A. No. There are two workgroups responsible for the assignment of network
6 inventory (provisioning): the MLAC for POTS-type elements (*i.e.*, exchange
7 loops and ports) and the CPC for complex or interoffice special circuits.
8 Verizon's NRCM reveals some disturbing particulars about each workgroup and
9 the work Verizon improperly claims is necessary due to service order fallout.

10 The Assignment function is an inherent function in the OSS processing,
11 representing the network inventory, and the work required. This automatic
12 function is the preferred method of operation, because the assignment section is
13 an array of complex information that triggers other downstream systems as to the
14 work content that needs to be provided and the OSS is better equipped to perform
15 this function than Verizon employees.

16 The MLAC workgroup has only one task identified in Verizon's NRCM;
17 "Assign outside plant and central office facilities for non-flow through service
18 orders." This task suggests a manual process that contradicts the preferred
19 method of operation, and reflects an inefficient and inappropriate use of the
20 MLAC work force.

21 Verizon has neither identified nor supplied evidence that warrants a
22 conclusion that this manual processing is required. Instead, Verizon claims that

1 the fallout percentage is *a reflection of fallout studies* (reports) indicating present
2 experience and that this is enough to warrant the recovery of cost.²⁷ This
3 approach violates the principle of cost causation, and does not address the issue of
4 why the fallout exists. Moreover, any fallout associated with database or system
5 maintenance should properly be recovered in the recurring rates.

6 Mr. Walsh was directly involved in fallout studies at NYNEX. The goal
7 to reduce corporate overhead, and deliver the assigned orders as efficiently as
8 possible, by enhancing the OSS, correcting mismatched databases, maintaining
9 the links between the systems, or by instructing the technical workforce on the
10 proper methods necessary to meet that goal. The mere fact that the corporation
11 has a fallout report is not a basis for recovering the cost of that fallout through a
12 non-recurring charge imposed on competitors. In order for fallout to be
13 appropriately assessed to the CLEC, Verizon must demonstrate that the resolution
14 of the fallout will only benefit the CLEC. If the fallout resolution is a correction
15 of the databases, a cost that is normally reflected in OSS recurring maintenance
16 expense and should not be assessed to the CLEC as a non-recurring charge.

17 There are two major concerns with the only task identified for the MLAC.
18 First, the MLAC task itself is ambiguous as to the cause of the fallout. Second,
19 the application of MLAC fallout within the NRCM is exactly the same for every

²⁷ Verizon Cost Panel Direct at 315.

1 UNE. This does not reflect actual conditions one would expect to occur and calls
2 into question the validity of the claimed cost for every UNE. As an example,
3 Verizon has assumed the same MLAC manual intervention involvement on the
4 “Two Wire Analog-Digital Conversion UNE-P.” This service order reflects a
5 condition where the network inventory is already established and there is no
6 plausible chance of a 4% fallout.²⁸ Verizon’s presentation of non-recurring cost
7 again fails to identify actual reasons for this MLAC manual assignment. In the
8 absence of evidence that all such manual intervention was due to CLEC-caused
9 errors, such as incorrect data that could only be fixed by a *correction service*
10 *order*,²⁹ there is no basis to recover all this expense in non-recurring charges.

11 For these reasons, we recommend that this Commission reduce the
12 percentage of fallout for the MLAC to 2% based on the limited fallout directly
13 related to the CLEC supplying incorrect information, for which the CLEC is
14 responsible.

²⁸ UNE-P conversion order would not affect the inventory in the ILEC’s OSS. In some respects, the processing is akin to billing changes only. Verizon supports this assumption by not reflecting a CO wiring cost for the UNE-P Conversion element. Therefore, it is unlikely that orders would fallout to the MLAC and need manual assignment of cable and pairs.

²⁹ When the order is corrected because of a CLEC error, it will begin a new provisioning process.

1 **Q. HAS VERIZON ASSUMED MANUAL INTERVENTION FOR OTHER**
2 **WORKGROUPS?**

3 A Yes. Verizon's flawed methodology becomes even more alarming when you
4 examine the provisioning³⁰ tasks for the CPC, RCMAC and RCCC workgroups.
5 Here again, the Verizon NRCM suggests that manual assignment and processing
6 is necessary. Presumably, this would be the result of service order fallout or the
7 inability of the OSS to make the appropriate network assignments. Verizon has
8 claimed the fallout rate for some complex services to be as high as 100%,
9 indicating that no orders will be able to flow through. This is an unreasonable
10 assumption.

11 The fallout percentages identified by the Verizon fail to recognize the
12 inherent capabilities of OSS or the similar services Verizon processes efficiently
13 for itself or retail customers. Therefore, we recommend that the level of fallout be
14 reduced to the level set forth in the AT&T NRCM, which reflects the inherent
15 capabilities of automatic assignment of the OSS.

16 For the CPC-Message workgroup, the Verizon NRCM reflects manual
17 assignment with fallout rates as high as 100% for processing CLEC orders today.
18 Verizon's forward-looking adjustment reflected absolutely no difference (still
19 100% occurrence). For the same reasons we have just identified, we recommend

³⁰ Verizon's NRCM accumulates labor cost for CPC & RCMAC workgroups, among others, under the rate element called "Provisioning."

1 the reduction of this fallout to reflect the existing capabilities of automatic
2 assignment and circuit design processing by the OSS.

3 While Mr. Walsh was at Bellcore and responsible for OSS integration
4 testing, he had many test cases that demonstrated this OSS flow-through
5 functionality. These test cases represented many services that are similar to the
6 elements Verizon offering to CLECs today. Assuming unnecessary manual
7 functions is not cost-effective, nor is it forward-looking. The tasks indicated in
8 the Verizon NRCM for the CPC work groups do not reflect verifiable fallout data
9 that points to the CLEC as the cost causer, or the software programs functionality
10 that warrant a manual assignment.

11 The provisioning process that we have described thus far has an ongoing
12 opportunity for mechanization and the reduction of repetitive manual tasks that
13 allows corporations to reduce delivery cycles, and improve bottom line. Verizon
14 should be well aware of the capabilities inherent within the OSS.

15 **Q. WHAT ARE YOUR CONCERNS REGARDING VERIZON'S CLAIMED**
16 **NON-RECURRING COSTS FOR THE RCMAC WORKGROUP?**

17 A. The RCMAC workgroup ensures that switch translations are correctly transmitted
18 to the various local digital switches to affect the services Verizon provides. Here,
19 the opportunity for mechanization of manual tasks with the installation of OSS
20 also exists. The MARCH system is largely responsible for the format and
21 validation of the necessary instructions to activate, change, or terminate a service
22 within the switch. Information on the service request is received, formatted and

1 transmitted to the various LDSs by the OSS. Fallout occurs because of data error
2 conditions that are rejected by the switch, or when the OSS recognizes the
3 necessity for manual intervention. Here too, the fallout should conform to the
4 same characteristics we have identified throughout this testimony.

5 Verizon has also failed to identify the level of fallout specific to various
6 elements, as one would expect to find in an efficient end-to-end process
7 workflow. The manual activities Verizon has associated with the RCMAC
8 workgroup fall largely into the category of coordination directed by another group,
9 the RCCC, and/or the fixing of service related problems that are not caused by the
10 CLEC request but are caused by incorrectly transmitting the wrong instructions,
11 which does not constitute a valid basis for imposing a non-recurring cost on
12 CLECs. Verizon has failed to identify the cause and to justify the levels of fallout
13 claimed in its non-recurring cost studies.

14 **Q. IF VERIZON IS EXPERIENCING THIS LEVEL OF MANUAL**
15 **INTERVENTION TODAY IN PROCESSING CLEC SERVICE**
16 **REQUESTS, WHY SHOULDN'T IT ASSUME THE SAME LEVEL OF**
17 **MANUAL INTERVENTION IN ITS NON-RECURRING COST MODEL?**

18 **A.** There is no real-world basis for Verizon to assume all of this manual intervention.
19 Verizon has not credibly demonstrated that the CLEC is the cost causer. CLECs
20 are sophisticated telecommunications carriers that have every commercial interest
21 in presenting service order information to Verizon electronically, on a schedule, in
22 a format and with accuracy sufficient to achieve the highest possible level of flow-
23 through. The mere fact that the Verizon NRCM developers created a manual

1 process is not a valid reason to impose such costs on the provisioning of UNEs. A
2 forward-looking cost study must represent processes that are efficient, and
3 embrace forward-looking methodologies for interconnection.

4 As an example, the TISOC workgroup task #1³¹ for a new initial two-wire
5 loop has a Connect Typical Occurrence of 52%, which indicates a 52% fallout
6 rate. However, the forward-looking adjustment is set to 59%. When these
7 percentages are multiplied together, the result is a 30.68% fallout rate. Or, simply
8 put, in Verizon's model, almost three out of every ten orders (for a two-wire loop)
9 will have errors on them which Verizon claims that it will elect to correct and
10 process manually without returning the orders back to the CLEC for correction.

11 Verizon's assumed fallout is excessive, and its failure to return orders to
12 the CLEC for correction will produce a perpetual string of similar, fallout-causing
13 errors. If the CLEC made a mistake, the CLEC needs to know the error to correct
14 its own databases and procedures. If Verizon were returning 30% of the orders to
15 the CLEC for correction, then the CLEC would take action to eliminate the
16 inefficiency on its side and reduce its internal costs. Like Verizon, CLECs have
17 every interest in delivering services to their customers in the most cost-effective
18 manner. CLECs should not be forced to pay for Verizon's inefficiencies through
19 inflated non-recurring charges.

³¹ TISOC Task #1: "Receive Local Service Request (LSR) from the CLEC and print, review, type and confirm the order requests for new installation and/or account."

1 **Q. IS THERE ANY KIND OF JEOPARDY PROCESS REFLECTED IN THE**
2 **VERIZON NRCM?**

3 A. No. What is evident in Verizon's non-recurring cost studies is that Verizon
4 technicians are manually contacting other departments (possibly by phone) and
5 referring problems to the RCCC. It appears that once this happens, the RCCC
6 contacts yet another department to have the problem fixed. Such tasks as the
7 RCCC "contact CPC to resolve design problems" are an example of unnecessary
8 work activities. It is extremely unlikely that the RCCC technician would know
9 that a design problem existed on the order, because that training is presumed to
10 exist for the CPC. Therefore, the cost study does not reflect the most accurate or
11 efficient method of error resolution.

12 **G. VERIZON'S PROPOSAL TO CHARGE FOR ADDITIONAL**
13 **MANUAL PROCESSING WHEN A COMPETITOR ORDERS**
14 **MULTIPLE ELEMENTS ON A SINGLE SERVICE ORDER IS**
15 **NOT FORWARD-LOOKING.**

16 **Q. HOW DOES VERIZON PROPOSE TO RECOVER THE NON-**
17 **RECURRING COSTS FOR MULTIPLE ELEMENTS ORDERED IN A**
18 **SINGLE REQUEST?**

19 A. Verizon's non-recurring cost studies do not show any additional labor cost for the
20 service ordering process of additional elements ordered on a single request.
21 Verizon has asserted in other cost cases that its OSS must detect requests for more
22 than a specific number of facilities so that Verizon can alert various departments
23 of the pending request, and contends that its non-recurring costs appropriately

1 reflect the frequency and time of that activity.³² The non-recurring cost study
2 format and content that Verizon is presenting in this arbitration is virtually
3 identical to the presentation it made in other state proceedings. Therefore, we
4 believe that Verizon continues to include the costs for the activity it claims to be
5 necessary when processing a single service order with requests for multiple
6 elements. Verizon apparently proposes to recover all such costs in the charge for
7 the initial request.

8 **Q. DOES THE VERIZON PROPOSAL PROPERLY RECOVER THE**
9 **FORWARD-LOOKING COST ATTRIBUTABLE TO PROCESSING A**
10 **SINGLE SERVICE ORDER THAT REQUESTS MULTIPLE ELEMENTS?**

11 A. No. Even if one assumes that Verizon has correctly identified a forward-looking
12 cost attributable to processing a single order requesting multiple elements,
13 Verizon should not recover this cost entirely through a non-recurring charge for
14 the initial request. That approach would improperly force any CLEC that places
15 an order for one element to pay for the resolution of fallout that might occur as the
16 result of multiple elements being ordered in a single request. This rate design

³² Rebuttal Testimony of Bruce Meacham, New Jersey BPU Docket No. TO00060356, at 6, which states "A service order for five or more new POTS loops requires manual intervention. To process such an order, Verizon NJ's TISOC representatives must request a field facility check to verify that there are enough facilities at that particular location. Verizon NJ performs this same check for retail orders. AT&T incorrectly assumes that this work is unnecessary." Clearly, this is an indication that the TISOC manual activity was necessary when multiple elements were ordered under a single request. To book the activity against the initial element being ordered is the wrong approach to modeling costs. If a CLEC only orders one element it would be paying more than its fair share.

1 issue is, however, largely an academic concern because the cost that Verizon
2 seeks to recover is not a forward-looking cost at all and should not be included in
3 any manner in the prices that Verizon is permitted to charge its competitors for
4 unbundled network elements.

5 **Q. PLEASE EXPLAIN WHY THE COST IN QUESTION IS NOT A**
6 **FORWARD-LOOKING COST.**

7 A. Assume that the CLEC orders five loops on one service order. Verizon contends
8 that the TISOC work group must forward this request manually so that Verizon
9 can perform field checks to ensure that it has sufficient facilities to meet the
10 request. The underlying premise that Verizon might not have sufficient facilities
11 could never be true for a network constructed to meet the TELRIC requirement of
12 having enough facilities to meet all current and reasonably foreseeable demand
13 (*i.e.*, to supply total demand). Both AT&T/WorldCom and Verizon have
14 proposed recurring charges for unbundled loops that include in the price of each
15 working loop the cost of enough spare capacity to ensure that facilities will always
16 be available. (Indeed, as the AT&T/WorldCom Recurring Cost Panel shows in
17 their concurrently filed reply testimony, Verizon's proposed recurring charges for
18 unbundled loops include in the price of each working loop the cost of *far more*
19 spare capacity than is necessary to ensure facilities are available in spite of
20 customer churn and/or growth.) Therefore, the portion of Verizon's proposed
21 non-recurring charge that is designed to recover the supposed cost of ensuring that
22 a request can be fulfilled represents a recovery of costs that simply would not exist

1 in a forward-looking network. The Commission should reject this blatant attempt
2 to penalize competitors for Verizon's claimed inability to deliver the product it is
3 supposed to provide.
4

5 **H. VERIZON HAS MODELED INEFFICIENT PROCESSES FOR**
6 **UNE-P SERVICE ORDERING AND PROVISIONING**

7 **Q. PLEASE EXPLAIN YOUR CONCERNS REGARDING CLEC UNE-**
8 **PLATFORM ("UNE-P") ORDERS.**

9 A. The non-recurring cost for each of Verizon's UNE-P elements is based on
10 installation costs with and without premises visits (*i.e.*, with and without field
11 installation). We have the following concerns about the way in which Verizon
12 has modeled non-recurring costs associated with UNE-P arrangements.

- 13 • Verizon also proposes to assess non-recurring charges for field
14 installation for both the initial and migration of the 2-wire UNE
15 Platform. As we have discussed above, any field installation is
16 properly captured as recurring costs. Moreover, it is difficult to
17 conceive of a situation where the CLEC could possibly be the cost
18 causer of field work where a working combination of elements
19 currently in service is simply being migrated by an electronic order.
20
- 21 • Although Verizon admits that the individual elements that makes
22 up Verizon's network are generally speaking the same elements
23 Verizon is assembling for CLECs,³³ its UNE-P non-recurring cost
24 studies improperly reflect more complex and costly provisioning
25 and installation activities than Verizon would use for retail
26 services. This is particularly true for the RCCC costs that simply

³³ Verizon Cost Panel Direct at 233.

do not exist in a retail environment.

- Instead of modeling the specific activities required to provision UNE-P combinations, Verizon used combinations of the stand-alone elements to determine the non-recurring cost and therefore failed to recognize the economies of leaving elements combined. Efficient practices such as Dedicated Inside Plant (“DIP”) and Dedicated Outside Plant (“DOP”) allow for the network components to be “pre-connected” or to remain “left-in-place” when services disconnect and provide shortened (faster) service activation intervals, because no physical wiring is required. Therefore, it is inappropriate to include CO wiring and Field Installation costs as part of the UNE-P non-recurring costs, as Verizon has done.
- For a UNE-P migration order, Verizon appropriately assumes that there will be no fallout and absolutely no service ordering cost.³⁴ Nonetheless, Verizon incorrectly maintains that even UNE-P migration orders will require manual provisioning activities required of the MLAC and the RCMAC workgroups.
- It is literally impossible under Verizon’s own task definitions for the MLAC to be involved with a no-fallout UNE-P order. The MLAC is responsible for “Assign[ing] outside plant and central office facilities for *non-flow through service orders*”
- Verizon also contends without justification or explanation that the RCMAC’s involvement is 10%; this is an unreasonably high fallout rate for a straightforward UNE-P order. In Mr. Walsh’s experience, this level of RCMAC involvement would be more typical of the small fraction of highly complex, interrelated service orders that involve specialized switch features (*e.g.*, PBX or Centrex applications including 20-30 orders or more). Even for such complex orders, the required time *per line* was only a few minutes per order, not the absurdly high 34.78 minutes per order that Verizon claims to be involved with the only RCMAC work

³⁴ This is exactly the kind of efficient ordering process that Verizon should have reflected throughout its non-recurring cost studies.

task,³⁵ #2.

- For the “ISDN-PRI Platform” and “DS1 DID/DOD/PBX Platform” elements, Verizon once again calculates the non-recurring cost of the combination as the sum of the non-recurring costs for the individual elements making up the combination. This is especially problematic because Verizon bases its stand-alone non-recurring costs for the relevant elements on a totally “analog” network (*i.e.*, copper or UDLC) and takes no account of the possibility of provisioning these higher capacity combinations using IDLC, which is technically feasible and the preferred network arrangement. Significantly, even if the Commission were to agree (incorrectly) with Verizon’s arguments about the need for UDLC or all-copper facilities to provision *stand-alone* unbundled loops, the arguments that Verizon has advanced do not apply at all to loop-port combinations.
- For foreign-exchanged UNE-Platforms (“Analog / POTS FX Platform,” “POTS/ISDN BRI FX Platform”), Verizon derives the cost from three separate element worksheets, Service Ordering costs from the IOF Voice Grade element, and installation cost without premises visits from the “Two Wire New Initial (C.O. Wiring + Provisioning) plus “Line Port New Additional” (C.O. Wiring + Provisioning) plus “IOF Voice Grade (C.O. Wiring + Provisioning).” Each of these combinations has excessively high service ordering fallout and work times, and each includes excessive costs based on Verizon’s erroneous assumption that it cannot use IDLC to provision such combinations. This is particularly problematic because Inter Office Facilities (“IOF”) are more economically provisioned over fiber SONET facilities. The most economical arrangement for Verizon would be to convert the *Loop* portion of the foreign-exchanged UNE-Platform to a DS-0 channel that travels over an Inter Office Facility that terminates directly into the ILEC’s digital switch.

³⁵ RCMAC task #2 “Receive notification through PARIS of need to perform a manual translation change on working service.”

1

2 **I. VERIZON’S PROPOSAL TO CHARGE EXTRA FOR HOTCUTS**
3 **IS NOT FORWARD-LOOKING.**

4 **Q. ARE THERE ANY PROBLEMS WITH VERIZON’S “HOTCUT”**
5 **ELEMENTS?**

6 A. Yes. As we understand it, Verizon’s “hotcut” charges inappropriately reflect
7 additional costs that Verizon claims that it will incur to perform the physical
8 activity necessary to redirect an end-user’s service at the same time that the new
9 entrant completes its portion of the installation, thereby minimizing any service
10 interruption for the end-user. (Verizon has referred to this process as a “hotcut”
11 or a “coordinated cutover.”)

12 **Q. PLEASE DESCRIBE THE PROCESS AND ASSOCIATED NON-**
13 **RECURRING COST ACTIVITIES VERIZON CONTENDS WILL BE**
14 **NECESSARY WITH THEIR “TWO WIRE HOT-CUT INITIAL” RATE**
15 **ELEMENT.**

16 A. AT&T/WCOM NRCM-5, page 7, is a process workflow diagram that depicts of
17 the steps that are indicated in Verizon’s presentation of non-recurring cost. The
18 diagram begins with examining the core activity that is required by the element
19 request, that is, the customer’s loop needs to be interconnected to the CLEC’s
20 equipment.

21 The process depicted by Verizon’s NRCM centers on the control of the
22 RCCC. So although the order for the hot-cut will normally appear in a CO Frame
23 technician’s work package, he/she just puts it aside until they get a call from the
24 RCCC (task #1). Once the RCCC makes their call, the CO Frame technician will

1 record the information manually, and then retrieve the order from the OSS (for a
2 second time) and compare it to the information they were just told over the phone
3 from the RCCC, as indicated in task #2. As you can tell, the CO Frame tasks #1
4 & 2 reflect certain inefficiencies inherent in manual processes. Task #4 applies
5 travel time necessary to travel to non-staffed offices. The problems associated
6 with this travel time are: 1) the frequency of travel has increased 100% (from
7 12% for the 2 Wire UNE, to 24% for the hot cut for the same element type) and 2)
8 there is no assumption as to how many tasks will the technician perform while at
9 the remote office so that the travel cost can be divided equally. This inconsistency
10 is not explained by Verizon testimony or any supporting documentation.

11 The verification activity only examines the existing facilities. Because the
12 information in the OSS and that provided by the RCCC may not always be
13 correct, an employee needs to verify it, and report back if the information was not
14 correct. Here too, this task does not reflect the most efficient process. Instead, it
15 covers the fact that sometimes the information residing in the OSS or conveyed by
16 the RCCC would be wrong. The CLEC has not caused the misinformation and
17 imposing a non-recurring charge for this type of activity certainly doesn't fit the
18 cost causation concept on which Verizon claims its NRCM is based.

19 CO frame Task #6 now allows for Verizon to collect another non-
20 recurring charge to move the CO frame technician to the CLEC's assigned
21 equipment location and place a cross-wire back to where he/she just performed
22 the verification step (task #5). This is not the most efficient way of doing

1 business, because it is more efficient to perform the verification and crosswire
2 placement at the same time.

3 CO Frame task #7 now moves the technician back to the CLEC equipment
4 (see CO frame task 6) and performs yet another verification to see if the CLEC's
5 dial tone is present. Then, he/she walks back to the cable pair (which he verified
6 in task #5) and re-verifies it again, once more comparing the information to the
7 information on the order and to the information he received over the phone. If
8 somehow the information is not correct, he reports back to the RCCC, saying
9 something is wrong, and obtains a new assignment. At this point, it's not clear
10 why the assignment is defective, or how the new assignment would appear, but
11 Verizon has included this task to cover all angles. Of course, if the assignment
12 were defective, Verizon would begin the entire process thus far over again. Either
13 way, the CO frame reports back to the RCCC that they are ready to proceed.

14 After the completion of task #7, the technician awaits the call to proceed.
15 CO Frame task 10 indicates "on due date at frame due time, work under direction
16 of RCCC and cut-off/cut-in wire at reuse facility. Perform multi-line hot-cuts one
17 line at a time (provide per line time average). Test to insure dial tone leaves
18 central office OK." This task sums up the *core activity* that is necessary being
19 under the control of RCCC. This is followed by a completion of the work by task
20 #15, which even allows for reporting an error condition. Then task #22 allows
21 him to complete the order once more.